

**Systems psychodynamics to explain the path from  
idealization to disillusion in decentralization**

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# Problematization

- **Decentralization** (Lee & Edmondson, 2017, Martela, 2019): a dilution of subordination relationships and workers' greater capacity to make independent decisions about their work and resources
- **Difficulty of sustaining decentralization** (Diefenbach, 2013; Foss & Nobrajska; Lee, 2024) - Poult, Zappos, Oticon, Medium
- Academic **focus on structural and operational** challenges (Anicich et al., 2024; Gino & Staats, 2014; Harrison & Fieman, 2004)
- Psychological challenges remain at the individual level – reproduction of childhood patterns (Diamond, 1988; Gabriel, 1997)
- **Systems psychodynamics** (Petriglieri & Petriglieri 2020, 2022; Vince, 2019): anxieties, emotions and cognitions of actors have an impact on structures (here decentralization), these cover individual and relational unconscious processes

**How do relational unconscious dynamics affect the decentralization process?**



# Methodology

- **Single case study** (updated):
  - Belgian company, founded around 2010
  - Decentralized
- **Data collection:**
  - 4 rounds of interviews: 6 exploratory (2023), 15 in-depth (2023), 17 follow up (2025), 5 follow up (2026) → 41
  - 1 participant observation:
  - 2 feedback loops:
- **Data analysis:**
  - Former: Thematic analysis + psychodynamic reading
  - Updated: Process analysis (Langley, 1999; Langley et al., 2013) + psychodynamic reading (Petriglieri & Petriglieri, 2020; Vince, 2019)
    - Events, time-bracketing, explaining transitions with psychological dynamics



# Findings

- Salesmanship of decentralization: **idealization**, linked to identity regulation
  - Recruitment, ideological discourses
- High ideals create intrapersonal **anxiety**: trust, skills, time
- Social defense: **conflictual polarization**
  - Liberals – “friends” enjoying freedom and a shared entrepreneurial experience
  - Humanists – “coaches” responding to a moral call; offering a fulfilling setting for workers
  - Activists – “citizens” nurturing a business lab to support a broader change in society
- **Rationalization**: damaging ideological conflicts justify recentralization



# Concluding discussion

## Contribution 1:

- Not only individual but also **relational unconscious dynamics** (idealization, polarization, rationalization) affecting decentralization
- **Double-edge sword of identity regulation** (Alvesson & Willmott, 2002)
  - Salesmanship's cost: high ideals → anxiety → damaging ideological conflicts

## Contribution 2:

- Categories of decentralization (Lee & Edmondson, 2017) **coexist and generate dissent**
  - Postbureaucratic org. = liberals, Humanist mgt = humanists, Democratic org. = activists

## Implications for practice:

- Call for a **dynamic vision of decentralization** (Lee, 2024)
- A “static” idealization of decentralization triggers disillusion and conflicts
- Acknowledging the perpetual imperfection of decentralization, incremental successes

Thanks for your attention, keen to hear your  
feedback and collaborate !

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